## IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

GIRAFA.COM, INC.,

Plaintiff,

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C.A. No. 07-787-SLR

AMAZON WEB SERVICES LLC, AMAZON.COM, INC., ALEXA INTERNET, INC., IAC SEARCH AND MEDIA, INC., SNAP TECHNOLOGIES, INC., YAHOO! INC., SMARTDEVIL INC., EXALEAD, INC., and EXALEAD S.A.,

Defendants.

# DECLARATION OF CRAIG CHRISNEY IN OPPOSITION TO PLAINTIFF GIRAFA.COM, INC.'S MOTION FOR LEAVE TO AMEND ITS COMPLAINT PURSUANT TO FED. R. CIV. P. 15(a)

John W. Shaw (No. 3362) Elena C. Norman (No. 4780)

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Dated: September 29, 2008

#### I, Craig Chrisney, declare:

- 1. I am Chief Financial Officer at Idealab. I have personal and firsthand knowledge of the facts stated in this declaration and, if called upon to do so, I could and would testify competently thereto.
- 2. For more than a decade, Idealab has been a technology "incubator."

  Idealab provides capital to early stage companies and also provides fee-based services to many
  of the early stage companies pursuant to separate written services agreements.
- 3. Under these services agreements, Idealab often leases some of its available space to early stage companies, and provides telecommunications and/or IT support, finance and accounting assistance, human resources support, design and public relations services. Idealab's employees thus provide services directly to the companies, much as a company engages outside expertise from a consulting firm, an accounting firm, a design firm, or even a law firm. In each such case, the individual(s) hired work under the direction of and are responsible to the investee companies and those companies pay Idealab for their services pursuant to a written services agreement freely negotiated by the two parties in their own interest.
- 4. Currently Idealab has investments in and various service agreements with more than a dozen investee companies.
- 5. Snap (originally incorporated in April 2004 under the name Perfect Market Technologies, Inc.) is a venture-backed company with significant investment from Idealab and from a leading Silicon Valley venture fund. Snap recently received additional debt financing from Idealab and the Silicon Valley venture firm. Snap is current with respect to payment of its invoices from Idealab for services rendered.

- 6. Snap has a Board of Directors (including some Directors affiliated with Idealab and some not) that meets regularly on a bi-monthly basis.
- 7. All of Snap's top officers including its CEO, CTO, Vice President of Product and Vice President of Sales are full-time Snap employees and not Idealab employees.

  Snap has approximately 30 full-time employees, who are paid by and eligible to receive equity in Snap, and are neither paid by nor eligible to receive equity in Idealab.
- 8. The allegedly infringing products and services offered by Snap are not offered by Idealab. Idealab and Snap maintain independent financial accounts and do not comingle funds. Idealab does not own, lease, or otherwise control the servers from which Snap offers its services.
- 9. Snap leases office space and associated services from Idealab and has the use of certain Idealab telecommunication assets and certain computer and other IT assets (although not the servers from which Snap offers its services, which Idealab neither owns nor controls). Also pursuant to its services agreement, Snap has contracted to pay for the use of certain Idealab personnel and resources.
- 10. One example is Idealab employee Andrew Naglestad, an attorney licensed in California with significant patent litigation and prosecution experience.
- 11. Idealab at no point has received funds from Snap other than in the ordinary course of business (1) in payment for services performed under the services agreement between Snap and Idealab, and (2) as interest or partial principle payments in connection with Idealab's debt investments in Snap.

12. Idealab has no office or employees in Delaware, and has taken no action related to Girafa or the '904 patent in Delaware.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct and that this declaration was executed on September 26, 2008 in Pasadena, California.

Craig Chrisney

#### **CERTIFICATE OF SERVICE**

I, Andrew A. Lundgren, hereby certify that on September 29, 2008, I caused to be electronically filed a true and correct copy of the foregoing document with the Clerk of the Court using CM/ECF, which will send notification that such filing is available for viewing and downloading to the following counsel of record:

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I further certify that on September 29, 2008, I caused a copy of the foregoing document to be served by e-mail on the above-listed counsel of record and on the following in the manner indicated:

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